

Intelligent Transportation Systems National Investment and Market Analysis

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Sponsored by
ITS America
and the
U.S. Department of Transportation

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Intelligent Transportation Systems National Goal

To complete deployment of basic ITS services for consumers of passenger and freight transportation across the nation by 2005

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National Investment and Market Analysis Study

- ◆ Estimate public sector investment requirements to deploy basic ITS infrastructure in all urban areas by year 2005
- ◆ Quantify direct benefits from basic ITS infrastructure deployment
- ◆ Estimate size of private sector market
- ◆ Identify and evaluate national economic impacts

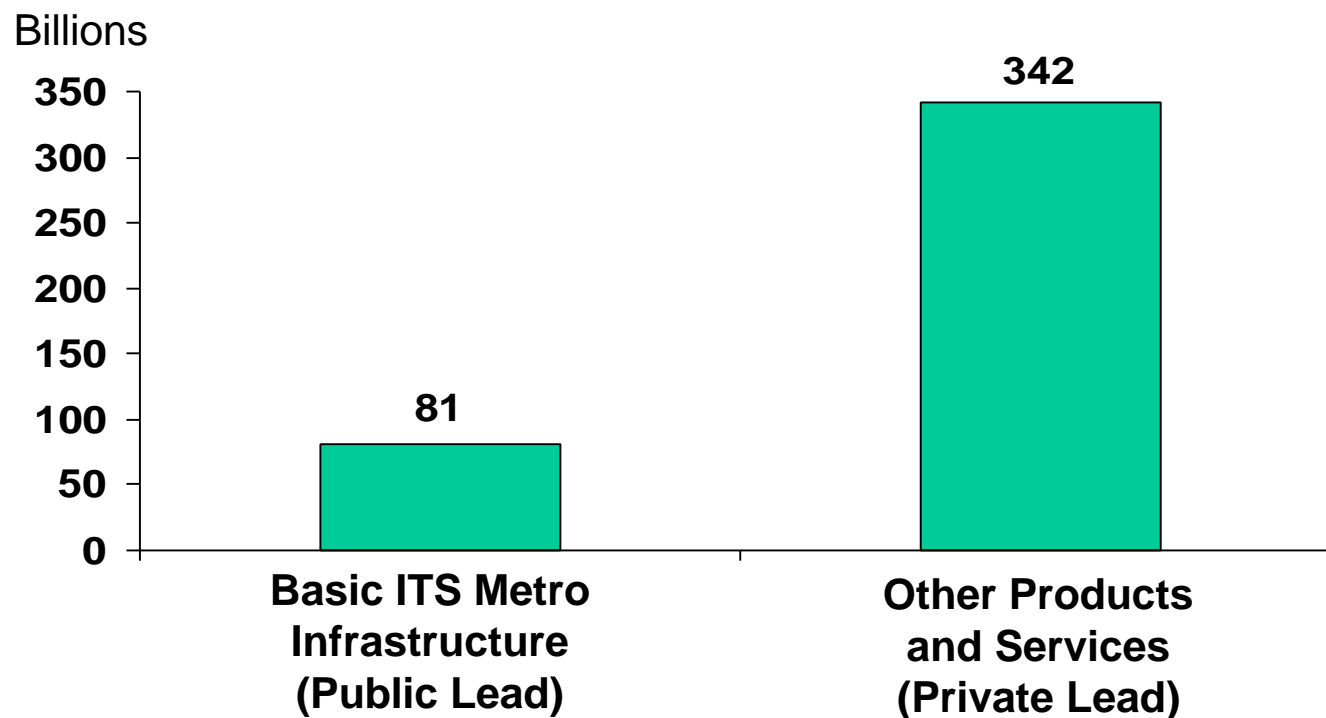
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Presentation Scope

**Focuses on investment
requirements and benefits for
metropolitan areas**

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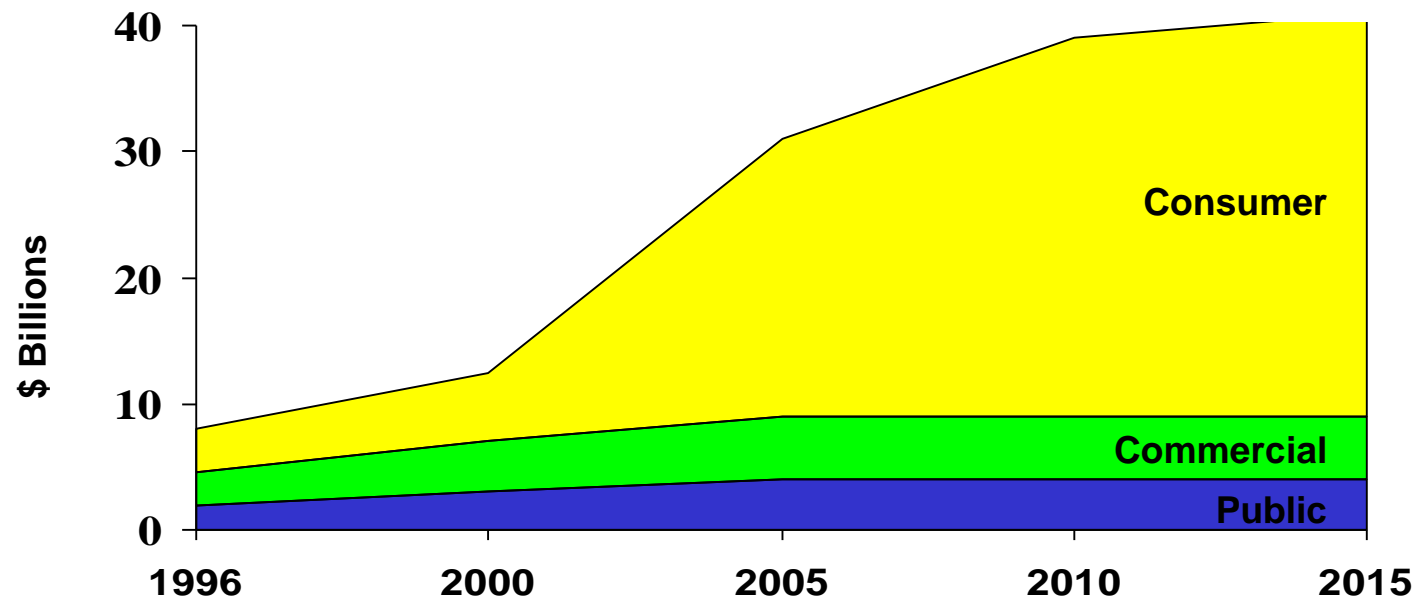
ITS National Market Estimates (1996 - 2015)



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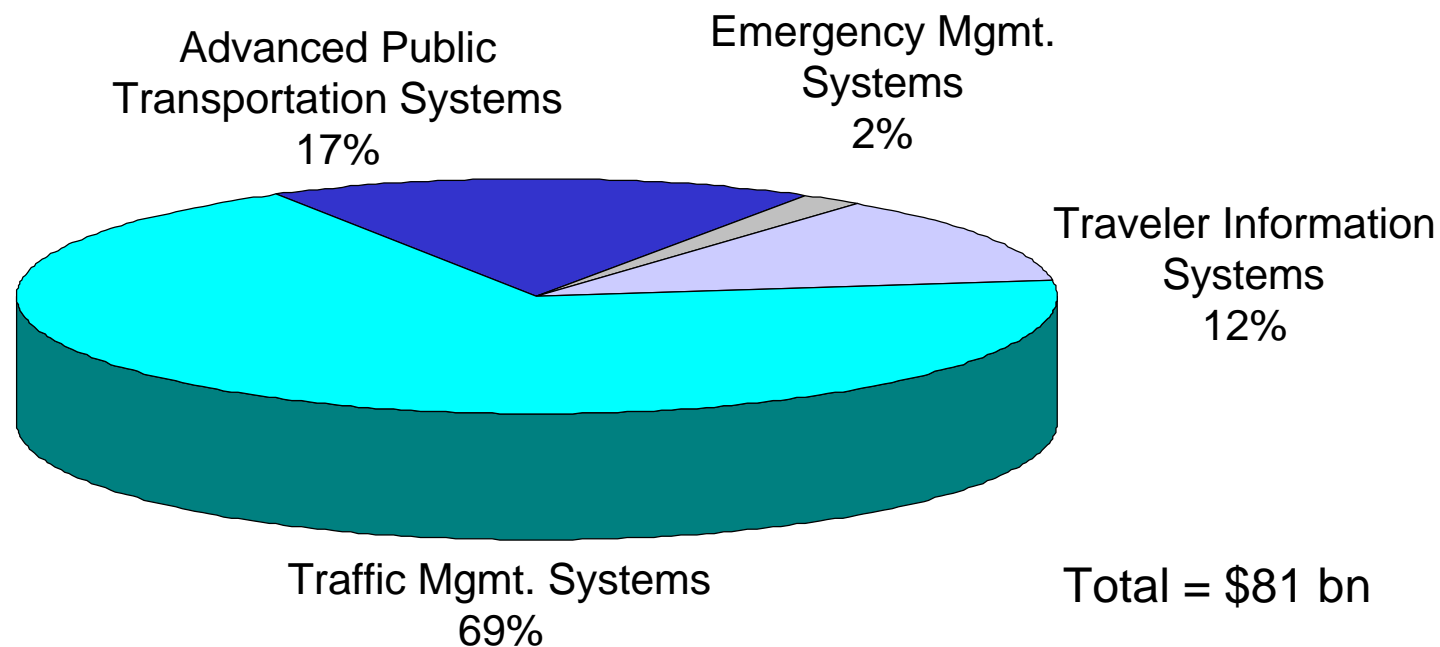
ITS Market

Overall Direction and Growth



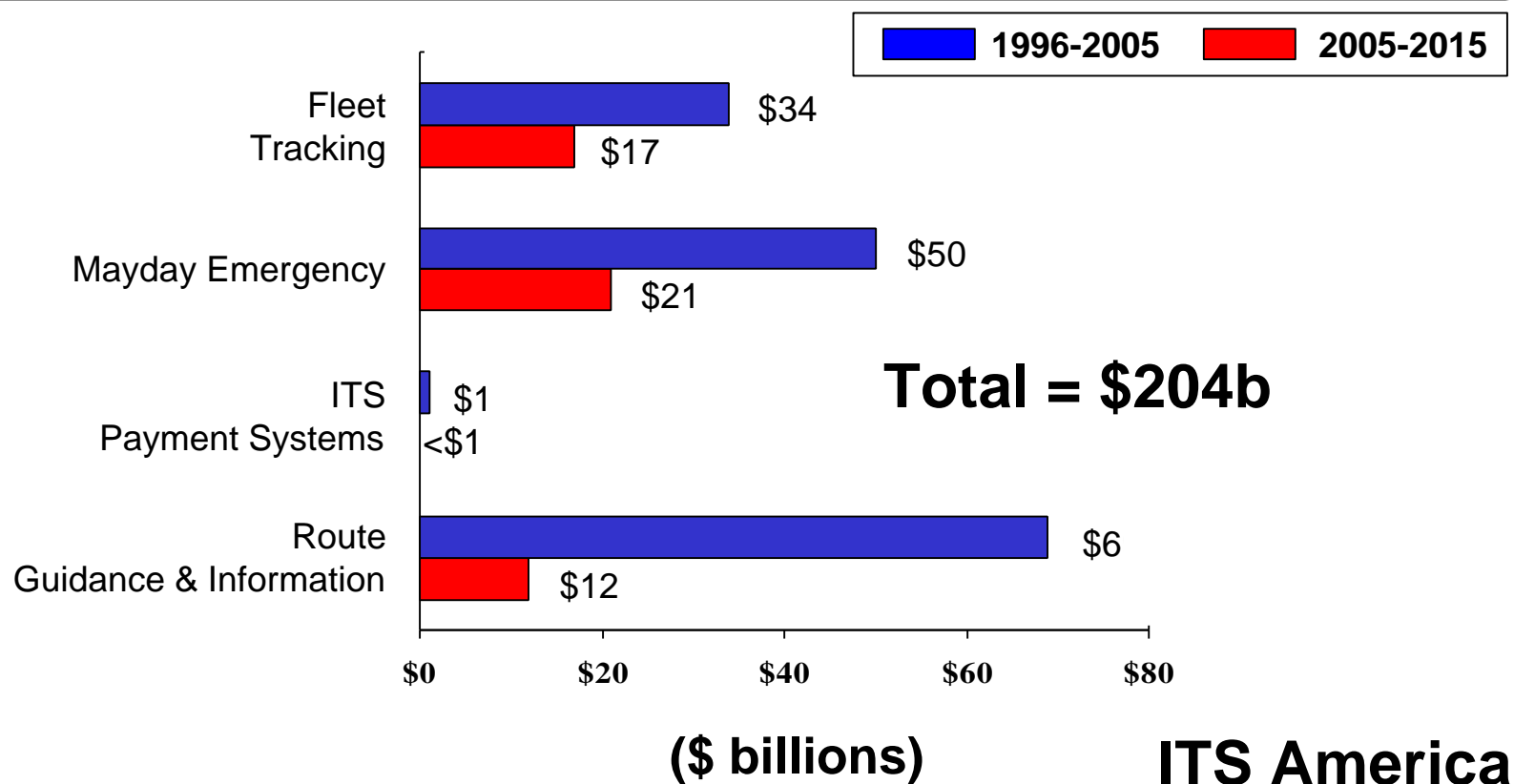
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Public, Policy Driven Infrastructure Market

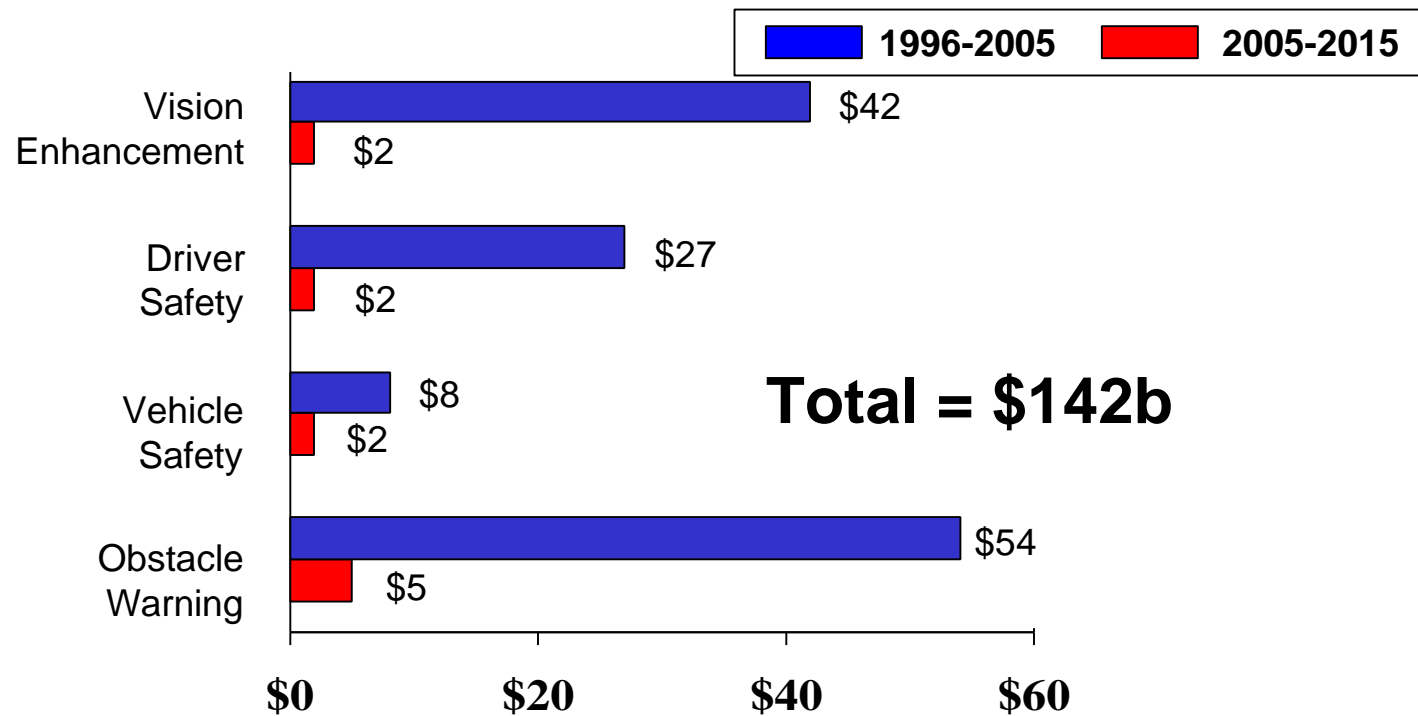


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Private Market Projections



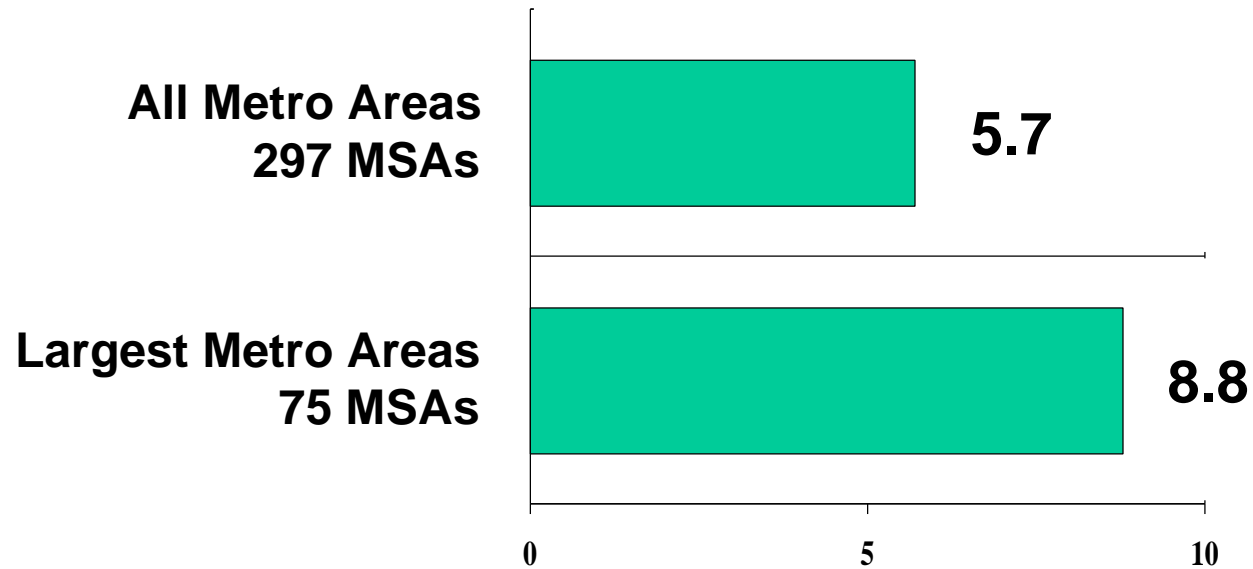
Private Market Projections (cont'd)



(\$ billions)

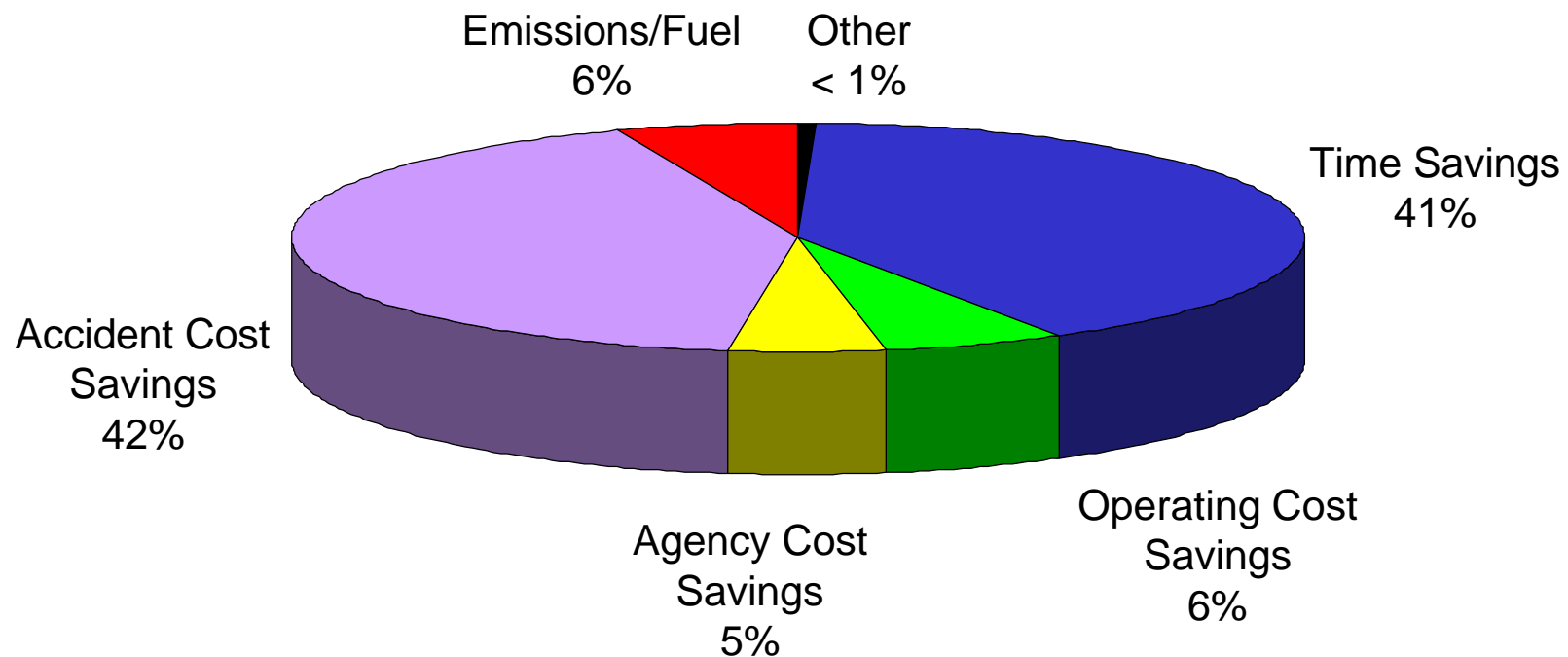
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Benefit-Cost Ratios



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Distribution of Benefits



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Direct Investment Impacts 1997-2015

- ◆ Direct Investment = \$84 bn
- ◆ Multiplier = \$300-350 bn
- ◆ Total Investment Impact = \$380-430 bn
- ◆ Direct Employment = 590,000 jobs
- ◆ Private market = \$342 bn⁵⁵⁵

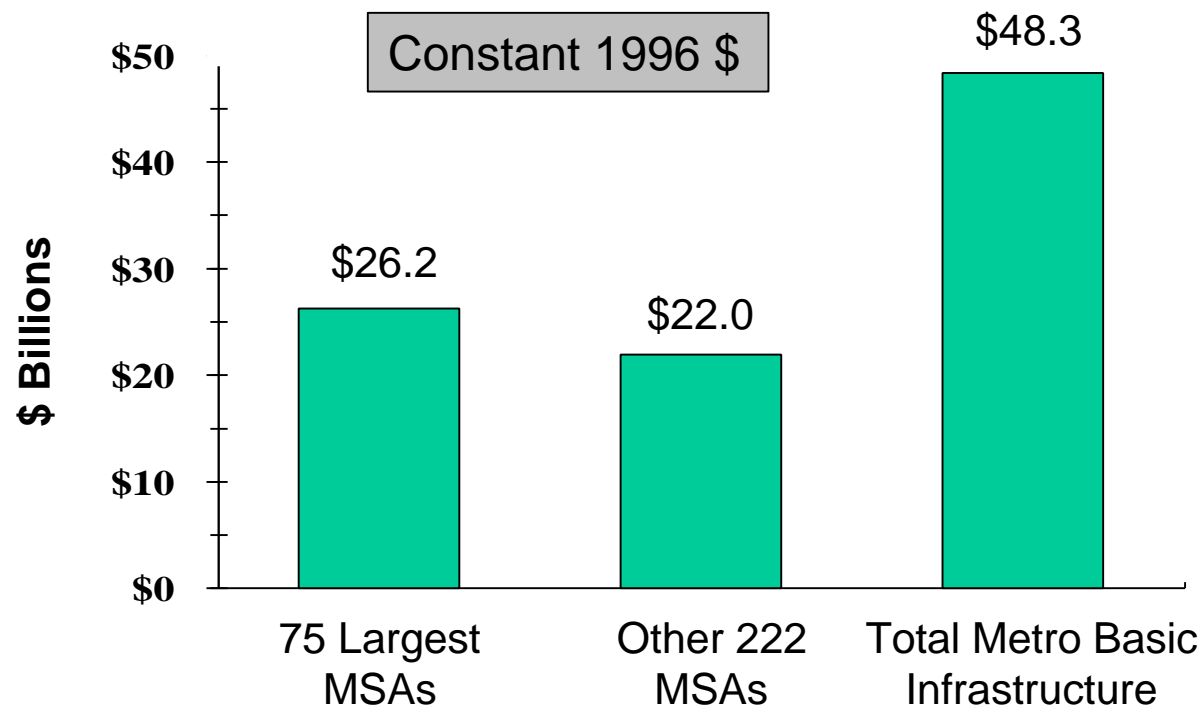
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Transportation System Impacts

- ◆ Cost-savings from In-vehicle Crash Avoidance Systems = \$27b/yr
- ◆ Commercial Sector Fleet Benefits = \$96 bn (PV - 20yrs)
- ◆ Transportation System Operational Gains = \$252 bn (PV - 20 yrs)

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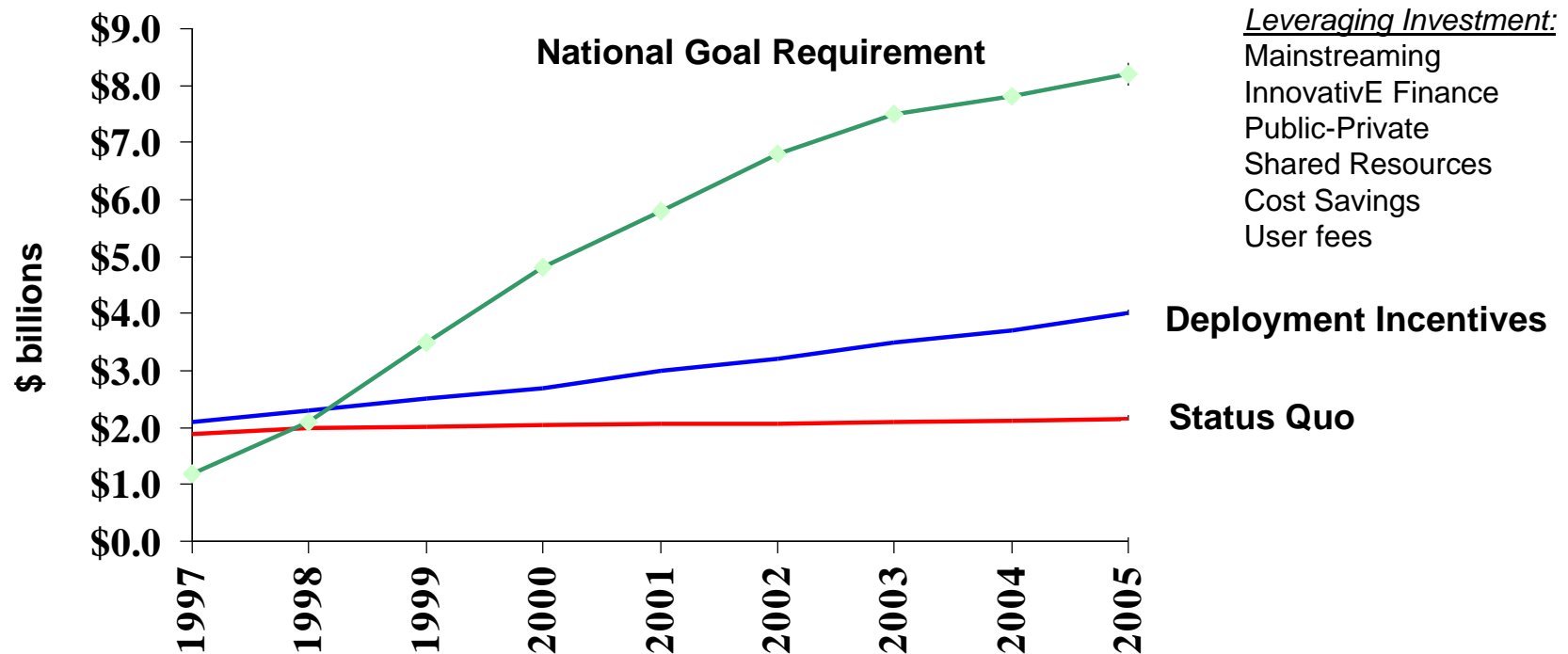
Metropolitan ITS Infrastructure Investment Requirements to Meet the National Goal (1996-2005)



Note: Total investment represents less than 5% of projected Highway and Transit capital expenditures over the next 10 years

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Infrastructure Investment in ITS (1997-2005)



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Key Points

- ◆ The market for ITS is *large* -- nearly \$420 billion over 20 years
- ◆ Public sector role is about 20% -- but much of it must come early
- ◆ Benefits in relation to costs are high
 - Nearly 6 to 1 for 300 metropolitan areas
 - Nearly 9 to 1 for 75 of the largest metropolitan areas
- ◆ Reauthorization legislation will define federal leadership and drive public investment for ITS

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